

FISCAL NOTE

Bill #: HB0421

Title: Nonresident child of resident hunting and fishing licenses

Primary Sponsor: Golie, G

Status: As Amended in House Committee - Revised

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
State Special Revenue	\$6,000	\$0
Revenue:		
State Special Revenue	(\$8,982)	(\$17,964)
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Fish, Wildlife and Parks (FWP)

1. To qualify for the licenses in this bill, a nonresident child of a resident must meet three qualifications: be born in Montana; graduated or received a GED in Montana; have a parent as a current resident of Montana.
2. Montana census figures indicate that 10,843 students receive a diploma or GED each year in Montana.
3. Montana census figures indicate that 46.6 percent of families move out or into Montana before graduation and, therefore, are not eligible for the licenses in this bill. Of the total Montana graduates, 5,790 meet the qualifications of this bill. ($100\% - 46.6\% = 53.4\%$) ($10,843 \times 53.4\% = 5,790$)
4. Montana census figures indicate that 19.3 percent of these high school graduates will leave Montana each year. ($5,790 \times 19.3\% = 1,117$)
5. It's estimated that 25 percent of the qualified nonresident children of a resident participate in hunting and fishing ($1,117 \times 25\% = 279$). It's assumed that 75 percent will take advantage of this opportunity. ($279 \times 75\% = 209$)
6. A qualified nonresident child of a resident may purchase licenses for up to 6 license years. FWP estimates that qualified children will apply during 3 of their eligible 6 years (50%). ($209 \times 6 \times 50\% = 627$)
7. The following licenses will be available to qualified children at twice the amount of the resident license:

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(continued)

- a. Nonresident fishing license -- $\$13 \times 2 = \26 ; compared to \$60; loss of \$34/license
 - b. Nonresident upland game bird -- $\$6 \times 2 = \12 ; compared to \$110; loss of \$98/license
 - c. Nonresident deer A -- $\$13 \times 2 = \26 ; no offset (currently sold as part of combo license)
 - d. New Class B-15 Nonresident elk -- $\$16 \times 2 = \32 ; no offset
 - e. Nonresident Conservation License -- \$9.25
 - f. Nonresident Hunting Access Fee -- \$10
8. Revenue projections are calculated on estimated participation. The assumption is that the 627 qualified children currently purchase licenses at the regular prices. Now they will purchase licenses at the discounted prices. Of the 627 qualified children, participation by species is estimated as follows:
- a. Nonresident fishing license – $87.68\% \times 627 = 550 \times (\$34) = (\$18,692)$
 - b. Nonresident upland game bird – $22.04\% \times 627 = 138 \times (\$98) = (\$13,543)$
 - c. Nonresident deer A – $53.78\% \times 627 = 337 \times \$26 = \$8,767$
 - d. New Class B-15 Nonresident elk – $27.43\% \times 627 = 172 \times \$32 = \$5,504$
 - e. Nonresident Conservation License -- \$9.25 (no change)
 - f. Nonresident Hunting Access Fee -- \$10 (no change)
 - g. NET REVENUES: (\$17,964)
- The effective date of this bill is March 1, 2006. The FY06 impact is approximately 50 percent of a full license year.
9. The cost to modify the Automated License System to accommodate the new license and offer the price breaks is estimated at \$6,000. (50 hours at \$120/hour = \$6,000)
10. The cost to administer the new requirements will be absorbed with existing staff.

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$6,000	\$0
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$6,000	\$0
<u>Revenues:</u>		
State Special Revenue (02)	(\$8,982)	(\$17,964)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(\$14,982)	(\$17,964)